

# WORKFORCE OBSERVATIONS FOR SOUTHEAST WISCONSIN COUNTIES AUGUST 2003



## July's Performance Shows a Mixed Review

**Walworth County's** unemployment rate in July, like all three Southeast WDA counties, decreased over the month. Walworth's rate is 4.3 percent, down by one-tenth of a point over the month and remained unchanged from the clip registered in July 2002. The labor force figures showed flat growth in July, but the positive light in the monthly dynamics was that the number of employed residents increased and the number of those unemployed decreased. Annually, the labor force showed a loss of 130 participants via 130 fewer employed residents. Flatness like this is really not out of the realm for a seasonally volatile county like Walworth considering the fact this compares a single point in time to another. But labor force, year to date, has not seen a strong rate of growth in 2003.

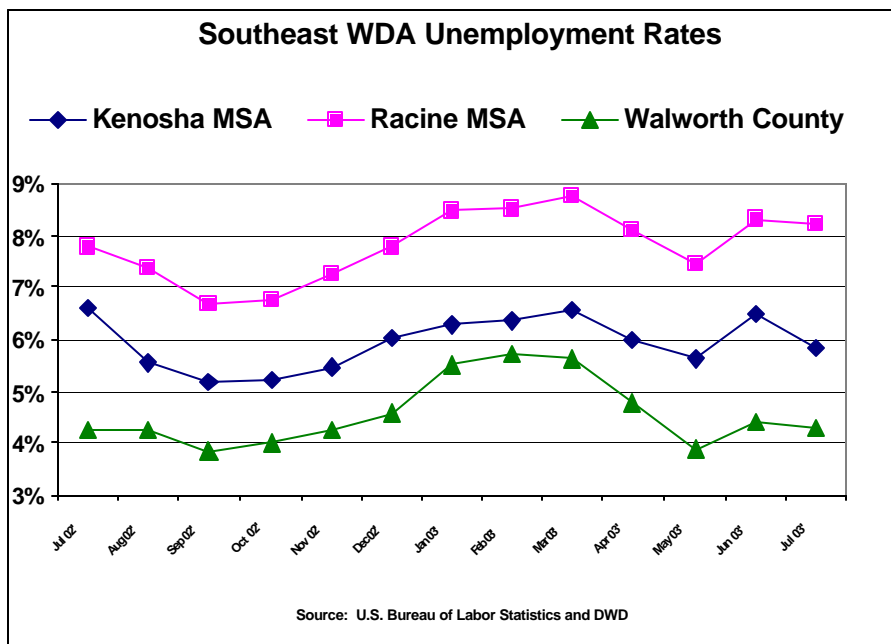
Industry data in Walworth showed a net monthly decline in employment of 500 jobs. This loss is actually a bit misleading for the fact that much of the monthly change was grounded in a sharp decrease in government employment via summer break for local schools district and fewer employees at UW-Whitewater in the summer months. July would be the first month to truly capture the employment difference even though many of these employees stopped working in the first third of June or so. Leisure and hospitality employment gained 600 jobs over the month as a vacation spot like this would dictate. Annually, Walworth industries show a net loss of total jobs (-1,000 jobs) despite a 1,000 job increase in leisure and hospitality employment.

The unemployment rate decreased over the month by seven-tenths of a percentage point in the **Kenosha MSA** to 5.8 percent. This absolutely goes against the seasonal expectations of the Kenosha area when July usually brings about a higher unemployment rate than June. In fact, it is not uncommon for the Kenosha unemployment rate to increase a full percentage point in July as employment decreases and unemployment increases. But this July has opposed conventional wisdom and established trends. Employment is up over 1,200 and unemployment is down by 520; not exactly bad news for county that had been struggling in the labor force arena. Annually, July 2003 showed

the largest decline in unemployment rate for this month since July 1999.

Kenosha total industry employment shows 200 more jobs over the month. This small bit of employment growth also bucks another July trend in Kenosha of contracting manufacturing employment in July. It is not uncommon for manufacturing employment to decrease heavily (-1,000 jobs or more) in July for brief company shutdowns and re-tooling, model changeovers and maintenance. This contraction would be quite pronounced

in an area with a large manufacturing presence, but July 2003 data show only a slight loss of employment (-100 jobs). This surprise is probably a payroll survey reporting subtlety that has more to do with the timing of the survey period than an economic issue. Outside of the lack of decline in manufacturing employment, the remaining industry growth was fairly typical for July.



The **Racine MSA** unemployment rate was 8.2 percent in July. This rate is down slightly over the month by one-tenth of a percentage point, but is considerably higher than last July's rate by five-tenths of a point. Despite improvements in employment measured by industry in Racine County, the unemployment rate remains quite high suggesting that the labor force is affected from a regional perspective rather than by this single county's industries alone, meaning that labor demand, or there lack of, from other surrounding counties affects Racine residents as well.

Racine's industry employment data, for all intents and purposes, has been fairly encouraging given the current economy. Despite the slight loss monthly loss of 200 jobs, the county totals over 1,100 jobs additional jobs compared to July 2002. This is the highest annual increase in jobs in Racine County since March 2000 and marks the ninth month in a row to show no annual decline in total industry employment. Trade employment is higher on an annual basis and so is employment in temporary help agencies. Manufacturing and construction employment, which are the goods producing sectors, have remained flat.

<b>July 2003</b>	<b>Wisconsin</b>	<b>Kenosha County/MSA</b>	<b>Racine County/MSA</b>	<b>Walworth County</b>	<b>Southeast WDA</b>	<b>City of Kenosha</b>	<b>City of Racine</b>
<b>Civilian Labor Force*</b>	3,167,650	86,176	99,138	56,607	241,921	50,955	41,811
Persons Employed	2,992,256	81,139	90,986	54,183	226,308	47,445	36,365
Persons Unemployed	175,394	5,037	8,152	2,424	15,613	3,510	5,446
Unemployment Rate	5.5%	5.8%	8.2%	4.3%	6.5%	6.9%	13.0%
<b>Total jobs of all non-farm industries** (thousands)</b>	2,800.5	54.2	81.5	41.8	177.5		
<b>Goods Producing Jobs</b>	650.5	12.8	24.3	10.6	47.7		
<b>Service Producing Jobs</b>	2,150.0	41.4	57.2	31.2	129.8		
Construction, Mining and Natural Resources	131.6	2.4	4.3	2.0	8.7		
All Manufacturing	518.9	10.4	20.0	8.5	38.9		
Total Trade	441.1	9.4	12.8	5.2	27.4		
Wholesale Trade	119.1	2.0	3.2	xx	xx		
Retail Trade	322.0	7.4	9.6	xx	xx		
Transportation, Warehousing and Utilities	103.6	1.5	1.7	1.2	4.4		
Financial Activities	159.1	1.6	2.6	1.0	5.2		
Education and Health Services	362.1	7.2	10.3	4.2	21.7		
Leisure & Hospitality	262.7	6.6	6.6	9.2	22.4		
Information, Professional and Business Services, Other Services	441.9	6.5	12.6	4.7	23.8		
Information	50.8	0.4	0.8	xx	xx		
Professional and Business Services	250.7	3.3	7.0	xx	xx		
Other Services	140.4	2.8	4.8	xx	xx		
All Government	379.5	8.6	10.6	5.8	25.0		
<b>Change from June 2003</b>							
<b>Civilian Labor Force*</b>	1,980	700	850	30	1,580	350	350
Persons Employed	8,530	1,230	860	100	2,190	720	350
Persons Unemployed	-6,550	-520	-10	-70	-600	-370	10
Unemployment Rate	-0.2%	-0.7%	-0.1%	-0.1%	-0.3%	-0.8%	-0.1%
<b>Total jobs of all non-farm industries** (thousands)</b>	-30.7	0.2	-0.2	-0.5	-0.5		
<b>Goods Producing Jobs</b>	1.7	-0.1	-0.1	0.0	-0.2		
<b>Service Producing Jobs</b>	-32.4	0.3	-0.1	-0.5	-0.3		
Construction, Mining and Natural Resources	1.8	0.0	0.1	0.0	0.1		
All Manufacturing	-0.1	-0.1	-0.2	-0.1	-0.4		
Total Trade	1.5	0.0	0.1	0.0	0.1		
Wholesale Trade	0.4	0.0	0.1	xx	xx		
Retail Trade	1.1	0.0	0.0	xx	xx		
Transportation, Warehousing and Utilities	-3.0	-0.2	-0.2	-0.1	-0.5		
Financial Activities	0.0	0.0	0.0	0.0	0.0		
Education and Health Services	-0.7	0.1	0.1	-0.1	0.1		
Leisure & Hospitality	5.7	0.4	0.1	0.6	1.1		
Information, Professional and Business Services, Other Services	3.2	0.1	0.2	0.0	0.3		
Information	0.1	0.0	0.0	xx	xx		
Professional and Business Services	4.0	0.1	0.3	xx	xx		
Other Services	-0.9	0.0	-0.1	xx	xx		
All Government	-39.1	-0.1	-0.4	-0.9	-1.4		
<b>Change from July 2002</b>							
<b>Civilian Labor Force*</b>	76,020	1,580	3,410	-130	4,860	620	1,500
Persons Employed	65,110	2,140	2,700	-130	4,710	1,250	1,080
Persons Unemployed	10,910	-560	710	0	150	-630	420
Unemployment Rate	0.2%	-0.8%	0.5%	0.0%	-0.1%	0.0%	0.6%
<b>Total jobs of all non-farm industries** (thousands)</b>	4.8	0.5	1.1	-1.0	0.6		
<b>Goods Producing Jobs</b>	-22.9	-0.4	0.0	-0.3	-0.7		
<b>Service Producing Jobs</b>	27.7	0.9	1.1	-0.7	1.3		
Construction, Mining and Natural Resources	-8.5	-0.1	0.0	0.0	-0.1		
All Manufacturing	-14.4	-0.4	0.0	-0.2	-0.6		
Total Trade	6.1	0.9	0.5	-0.4	1.0		
Wholesale Trade	3.4	0.1	0.1	xx	xx		
Retail Trade	2.7	0.9	0.3	xx	xx		
Transportation, Warehousing and Utilities	1.5	-0.1	-0.1	0.0	-0.2		
Financial Activities	4.0	0.0	0.0	-0.2	-0.2		
Education and Health Services	4.9	-0.1	0.2	0.3	0.3		
Leisure & Hospitality	3.0	0.3	-0.1	1.0	1.1		
Information, Professional and Business Services, Other Services	11.8	0.2	0.7	-0.6	0.3		
Information	0.0	0.0	0.0	xx	xx		
Professional and Business Services	5.5	0.0	0.7	xx	xx		
Other Services	6.3	0.1	0.0	xx	xx		
All Government	-3.6	-0.2	-0.1	-0.8	-1.0		

\* Labor force figures are **not** seasonally adjusted and are commonly revised. Figures from "place of residence" survey from the Bureau of Labor Statistics' Local Area Unemployment Statistics program. \*\*Figures based upon "place of employment" survey from the BLS, Non-Farm Wage and Salary estimates. Industry employment figures are in thousands and are rounded. "XX" indicates that data is suppressed and has been aggregated with other industries. **Month and year ago change figures are rounded and may not sum to total**

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